

State of California
BOARD OF EQUALIZATION

CIGARETTE AND TOBACCO PRODUCTS TAX REGULATIONS

Regulation 4606. MITIGATING CIRCUMSTANCES.

Reference: Sections 22974.7, 22978.7, 22979.7, Business and Professions Code.

Factors including, but not limited to, the following may be considered for purposes of determining whether mitigating circumstances exist pursuant to Regulations 4603, 4604, and 4605:

- (a)** How recently the licensee purchased the business or began operations and acquired inventory of cigarettes and/or tobacco.
- (b)** The amount of cigarettes without tax stamps and with counterfeit tax stamps in relation to the size of the licensee's overall inventory.
- (c)** The size of the licensee's cigarette and/or tobacco product business.
- (d)** The retail value of any cigarettes or tobacco products seized.
- (e)** An absence of prior seizures.

History: Adopted December 12, 2006, effective April 21, 2007.